

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

Independent Auditor's Report and Combined and Consolidated Financial Statements
December 31, 2018 and 2017

**Affiliated Organizations include:
The William E. English Foundation
Indianapolis Parks Foundation, Inc.
McCaw Family Foundation, Inc.
Nextech
Sheehan Charitable Foundation**

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations
December 31, 2018 and 2017**

Contents

**Independent Auditor’s Report on Combined and Consolidated
Financial Statements and Supplementary Information..... 1**

Combined and Consolidated Financial Statements

Statements of Financial Position 3
Statements of Activities..... 4
Statements of Expenses 6
Statements of Cash Flows 7
Notes to Financial Statements 8

Supplementary Information

Combining and Consolidating Information - Statement of Financial Position 37
Combining and Consolidating Information - Statement of Activities..... 38
Comparison of Operating Fund Activities to Budget..... 42

Independent Auditor's Report on Combined and Consolidated Financial Statements and Supplementary Information

Board of Directors
Central Indiana Community Foundation, Inc.
and Affiliated Organizations
Indianapolis, Indiana

We have audited the accompanying combined and consolidated financial statements of Central Indiana Community Foundation, Inc.; The Indianapolis Foundation, Inc.; Hamilton County Community Foundation, Inc. (formerly Legacy Fund, Inc.) and Affiliated Organizations (collectively, Foundation), which comprise the combined and consolidated statements of financial position as of December 31, 2018 and 2017, and the related combined and consolidated statements of activities, expenses and cash flows for the years then ended, and the related notes to the combined and consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined and consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of combined and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these combined and consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined and consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined and consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined and consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the combined and consolidated financial statements referred to above present fairly, in all material respects, the financial position of Central Indiana Community Foundation, Inc.; The Indianapolis Foundation, Inc.; Hamilton County Community Foundation, Inc. and Affiliated Organizations as of December 31, 2018 and 2017, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 2 to the combined and consolidated financial statements, in 2018, the Foundation adopted ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to this matter.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the combined and consolidated financial statements as a whole. The supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the combined and consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined and consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined and consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined and consolidated financial statements or to the combined and consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined and consolidated financial statements as a whole.

BKD, LLP

Indianapolis, Indiana
October 8, 2019

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Combined and Consolidated Statements of Financial Position
December 31, 2018 and 2017**

	2018	2017
Assets		
Cash and cash equivalents	\$ 57,119,230	\$ 69,238,467
Investments	670,570,677	694,305,358
Contributions and grants receivable	8,788,330	7,358,648
Accrued investment income	176,048	201,005
Other assets	932,324	390,997
Program-related investments	190,000	190,000
Land held for investment	-	100,834
Contributions receivable from remainder trusts	5,582,493	5,103,241
Property and equipment, net	6,613,329	7,131,052
Beneficial interest in perpetual trusts	28,259,499	31,944,677
	\$ 778,231,930	\$ 815,964,279
Liabilities and Net Assets		
Liabilities		
Accounts payable	\$ 738,630	\$ 277,187
Accrued pension and vacation	4,351,899	4,722,858
Investment fees payable	290,454	133,420
Grant and gift commitments payable	13,394,638	14,850,410
Annuities payable	82,185	83,209
Income beneficiaries payable	1,860,059	2,281,950
Amounts held for others	82,275,794	84,033,599
Total liabilities	102,993,659	106,382,633
Net Assets		
Without donor restrictions	611,471,379	650,823,677
With donor restrictions	63,766,892	58,757,969
Total net assets	675,238,271	709,581,646
Total liabilities and net assets	\$ 778,231,930	\$ 815,964,279

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Combined and Consolidated Statements of Activities
Years Ended December 31, 2018 and 2017**

	2018		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Total amounts raised	\$ 36,832,283	\$ 14,556,277	\$ 51,388,560
Less amounts for agency funds	(4,821,006)	-	(4,821,006)
Total contributions	32,011,277	14,556,277	46,567,554
Investment income	3,061,945	14,007	3,075,952
Realized and unrealized gains (losses)	(28,361,346)	(4,036,809)	(32,398,155)
Rental and other income	3,301,847	-	3,301,847
Total revenue	10,013,723	10,533,475	20,547,198
Net assets released from restriction	6,005,382	(6,005,382)	-
Total revenue and other support	16,019,105	4,528,093	20,547,198
Expenses			
Grant expenses	44,060,618	-	44,060,618
Program expenses	6,627,253	-	6,627,253
Management and general	3,491,289	-	3,491,289
Fundraising and development	1,635,212	-	1,635,212
Total expenses	55,814,372	-	55,814,372
Change in Net Assets Before Other Gains (Losses)	(39,795,267)	4,528,093	(35,267,174)
Other Gains (Losses)			
Changes in value of split-interest agreements	(5,503)	480,830	475,327
Changes in defined-benefit plan	448,472	-	448,472
Net asset classification revision	-	-	-
Total other gains (losses)	442,969	480,830	923,799
Transfers and Other Changes to Net Assets	-	-	-
Change in Net Assets	(39,352,298)	5,008,923	(34,343,375)
Net Assets, Beginning of Year	650,823,677	58,757,969	709,581,646
Net Assets, End of Year	\$ 611,471,379	\$ 63,766,892	\$ 675,238,271

2017

Without Donor Restrictions	With Donor Restrictions	Total
\$ 46,299,798	\$ 9,003,346	\$ 55,303,144
(9,379,142)	-	(9,379,142)
<u>36,920,656</u>	<u>9,003,346</u>	<u>45,924,002</u>
3,382,454	16,728	3,399,182
75,436,408	4,036,581	79,472,989
<u>2,047,839</u>	<u>-</u>	<u>2,047,839</u>
117,787,357	13,056,655	130,844,012
9,402,968	(9,402,968)	-
<u>127,190,325</u>	<u>3,653,687</u>	<u>130,844,012</u>
40,415,938	-	40,415,938
5,565,700	-	5,565,700
2,715,514	-	2,715,514
<u>1,843,219</u>	<u>-</u>	<u>1,843,219</u>
<u>50,540,371</u>	<u>-</u>	<u>50,540,371</u>
<u>76,649,954</u>	<u>3,653,687</u>	<u>80,303,641</u>
13,423	(115,658)	(102,235)
(326,317)	-	(326,317)
<u>(16,185,357)</u>	<u>16,185,357</u>	<u>-</u>
<u>(16,498,251)</u>	<u>16,069,699</u>	<u>(428,552)</u>
<u>71,842</u>	<u>(71,842)</u>	<u>-</u>
60,223,545	19,651,544	79,875,089
<u>590,600,132</u>	<u>39,106,425</u>	<u>629,706,557</u>
<u>\$ 650,823,677</u>	<u>\$ 58,757,969</u>	<u>\$ 709,581,646</u>

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Combined and Consolidated Statements of Expenses
Year Ended December 31, 2018
(With Comparative Totals for 2017)**

	2018				Total	2017 Total
	Grant Expenses	Program Expenses	Management and General	Fundraising and Development		
Grants Disbursed						
Arts and Culture	\$ 7,524,781	\$ -	\$ -	\$ -	\$ 7,524,781	\$ 8,648,082
Civic and Community Engagement	5,643,493	-	-	-	5,643,493	5,695,071
Education	9,181,338	-	-	-	9,181,338	8,678,402
Environment	2,530,956	-	-	-	2,530,956	3,821,730
Health and Human Services	19,180,050	-	-	-	19,180,050	13,572,654
Salaries	-	2,440,240	1,592,806	777,056	4,810,102	4,257,504
Taxes and benefits	-	861,929	532,435	234,947	1,629,311	1,694,908
Community engagement	-	657,737	208,931	97,672	964,340	447,980
Travel expenses	-	34,856	18,724	5,438	59,018	50,922
Meeting expenses	-	71,505	27,278	19,156	117,939	89,787
Dues and membership	-	31,150	21,842	9,790	62,782	64,576
Information technology	-	199,000	145,920	60,714	405,634	378,202
Marketing and communications	-	119,013	81,546	36,438	236,997	290,359
Audit and accounting	-	68,302	61,930	20,491	150,723	122,674
Professional services	-	183,986	128,881	60,321	373,188	350,096
Donor relations	-	117,678	82,375	35,981	236,034	206,806
Scholarship administration	-	10,142	7,100	3,043	20,285	20,430
In-kind expenses	-	393,859	55,024	36,683	485,566	30,712
Insurance	-	44,886	59,411	13,466	117,763	114,354
Occupancy	-	682,423	123,741	72,302	878,466	885,665
Depreciation	-	669,317	212,492	90,614	972,423	907,448
Other expenses	-	41,230	130,853	61,100	233,183	212,009
	<u>\$ 44,060,618</u>	<u>\$ 6,627,253</u>	<u>\$ 3,491,289</u>	<u>\$ 1,635,212</u>	<u>\$ 55,814,372</u>	<u>\$ 50,540,371</u>
Total expenses						

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Combined and Consolidated Statements of Cash Flows
Years Ended December 31, 2018 and 2017**

	2018	2017
Operating Activities		
Change in net assets	\$ (34,343,375)	\$ 79,875,089
Items not requiring (providing) cash		
Depreciation	970,506	907,448
Loss on sale of equipment	-	17,892
Realized and unrealized (gains) losses	32,398,155	(79,415,435)
Noncash contributions - stock	(8,184,078)	(9,360,625)
Change in value of land held for investment	-	(57,554)
Change in		
Contributions and grants receivable	(1,429,682)	(218,809)
Accrued investment income	24,957	(78,054)
Contributions receivable from remainder trusts	(479,252)	(1,743,897)
Other assets	(541,327)	(48,306)
Accounts payable	461,443	(652,560)
Accrued pension and vacation	(370,959)	669,205
Investment fees payable	157,034	(44,031)
Grant and gift commitments payable	(1,455,772)	(923,614)
Annuities payable	(1,024)	(32,327)
Income beneficiaries payable	(421,891)	78,516
Net cash used in operating activities	(13,215,265)	(11,027,062)
Investing Activities		
Proceeds from sale of investments	125,042,777	124,286,313
Purchase of investments	(121,736,161)	(103,284,581)
Purchase of equipment	(452,783)	(1,189,453)
Net cash provided by investing activities	2,853,833	19,812,279
Financing Activity - change in amounts held for others	(1,757,805)	15,694,265
Increase (Decrease) in Cash and Cash Equivalents	(12,119,237)	24,479,482
Cash and Cash Equivalents, Beginning of Year	69,238,467	44,758,985
Cash and Cash Equivalents, End of Year	\$ 57,119,230	\$ 69,238,467

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Historical Background

The Indianapolis Foundation (IF), a community foundation serving Indianapolis, Indiana, was created in 1916 by resolution of trust. **Hamilton County Community Foundation, Inc. (HCCF) (formerly known as Legacy Fund, Inc.)**, a community foundation serving Hamilton County, Indiana, was founded in 1991. In early 1997, The Indianapolis Foundation and Hamilton County Community Foundation, Inc. entered into an agreement to create **Central Indiana Community Foundation, Inc. (CICF)** to combine their resources to better serve the charitable needs of both Marion and Hamilton counties.

Pursuant to the 1997 agreement, the name of Hamilton County Community Foundation, Inc. was amended to change the name of the organization to Central Indiana Community Foundation, Inc. At this point, the assets of Hamilton County Community Foundation, Inc. converted to a component fund within CICF called "Hamilton County Community Foundation" and the Hamilton County Community Foundation, Inc. Board of Governors became a committee of CICF. However, in early 2004, Hamilton County Community Foundation, Inc. was incorporated as a not-for-profit corporation under the laws of the State of Indiana and also applied for exempt status from the IRS. In 2005, Hamilton County Community Foundation, Inc. received notification from the IRS stating that they had been granted exempt status under Section 501(c)(3) of the Internal Revenue Code, and it is not considered a private foundation. Subsequent to receiving its exempt status, the assets that had been converted to a component fund within CICF were transferred to the new exempt organization - Hamilton County Community Foundation, Inc.

In 1998, the Marion County Superior Court probate division ruled that The Indianapolis Foundation could transfer a portion of its funds to CICF consisting of "some or all of the income, including without limitation, some or all of the net appreciation, realized and unrealized, in the fair value of the assets held in the community-based charitable trust." Based on this ruling, The Indianapolis Foundation transferred approximately \$60 million (historic dollar value) to a component fund within CICF called "The Indianapolis Foundation Fund." Pursuant to the agreement establishing CICF, the funds transferred to CICF by The Indianapolis Foundation, as well as additional contributions to IF, can be disbursed only by a committee of CICF made up exclusively of the Board of Trustees of The Indianapolis Foundation.

On May 16, 2012, Marion County Probate Court granted an order permitting the formation of The Indianapolis Foundation, Inc. subject to a favorable determination letter from the Internal Revenue Service granting tax exemption under Code Section 501(a) and 509(c)(3). On April 22, 2013, The Indianapolis Foundation, Inc. received the IRS federal determination letter granting tax-exempt status under Code Section 501(c)(3) and public charity status under Code Section 170(b)(1)(A)(iv). On September 30, 2013, the assets transferred from The Indianapolis Foundation Trust to The Indianapolis Foundation, Inc.

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

One of the primary benefits of creating CICF was the ability to pool the resources of all the entities and component funds for investment purposes. While CICF actually holds the investment assets, the individual entities and certain component funds still maintain the governance over the expenditures of their respective investments. The following chart illustrates the board governance for the aforementioned entities and component funds:

<u>Entity or Component Fund</u>	<u>Governing Body</u>
Central Indiana Community Foundation, Inc.	CICF Board of Directors
The Indianapolis Foundation, Inc.	IF Board of Directors
Hamilton County Community Foundation, Inc.	HCCF Board of Governors

CICF is comprised of several component funds, including the Efroymsen Fund, The Glick Fund, The Library Fund, Women’s Fund of Central Indiana, Central Indiana Senior Fund and many others.

Several affiliated organizations are also included in these combined and consolidated financial statements due to the appointing authority of their governing body by one of the aforementioned entities. They are as follows:

<u>Name of Entity</u>	<u>Controlling Organization</u>
The William E. English Foundation, Inc.	The Indianapolis Foundation, Inc.
Indianapolis Parks Foundation, Inc.	CICF
McCaw Family Foundation, Inc.	CICF
Nextech	CICF
Sheehan Charitable Foundation	Hamilton County Community Foundation

Separate financial statements are issued for the Indianapolis Parks Foundation, Inc.

Central Indiana Community Foundation, Inc., The Indianapolis Foundation, Inc., Hamilton County Community Foundation, Inc. and Affiliated Organizations are collectively referred to as “Foundation” in the remainder of these notes to the combined and consolidated financial statements.

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

Mission and Operations

The mission of the Foundation is to inspire, support and practice philanthropy, leadership and service in the community. The vision for Central Indiana is to be nationally respected for its ability to develop, attract and retain highly educated, creative and community-minded citizens; that it will be recognized for its superior support to those in need; and admired for being a remarkable place to live. The Foundation is committed to attracting and providing financial support and effective leadership to the community, through building trust and upholding its stewardship responsibilities.

The Foundation manages over 800 separate funds that have been donated for charitable purposes. There are several different types of funds such as unrestricted, field of interest, donor-advised, scholarship and agency funds. These funds have a significant impact on helping to meet the needs of our community through effective grantmaking.

The twenty person Board of Directors of CICF includes the following:

- Six members represent The Indianapolis Foundation, Inc. Board of Directors
- Three members represent the Hamilton County Community Foundation Board of Governors
- Eleven additional members from the community-at-large nominated and selected by the CICF Board

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Principles of Combination and Consolidation

The combined and consolidated financial statements include the financial transactions of: Central Indiana Community Foundation, Inc.; The Indianapolis Foundation, Inc.; Hamilton County Community Foundation, Inc. and the following affiliated organizations: The William E. English Foundation, Inc.; Indianapolis Parks Foundation, Inc.; McCaw Family Foundation, Inc.; Nextech and Sheehan Charitable Foundation. All material inter-organizational accounts and transactions have been eliminated.

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

For financial statement purposes, activities of these entities have been combined and consolidated as follows:

- Central Indiana Community Foundation, Inc. - includes the activities of CICF and its single member LLC, CICF Charitable Holdings, LLC
- The Indianapolis Foundation, Inc. - includes the activities of The Indianapolis Foundation, Inc. and its single member LLC, IF Charitable Holdings, LLC
- Hamilton County Community Foundation, Inc. - includes the activities of the Hamilton County Community Foundation and its single member LLC, HCCF Charitable Holdings, LLC
- Affiliated organizations - include the activities of The William E. English Foundation, Inc.; Indianapolis Parks Foundation, Inc.; McCaw Family Foundation, Inc.; Nextech and Sheehan Charitable Foundation

Cash and Cash Equivalents

For purposes of reporting cash flows, the Foundation considers all investments with an original maturity of three months or less to be cash equivalents. All of the Foundation's cash and cash equivalents are maintained as a component of the Foundation's managed portfolio and as such, are not insured by the Federal Deposit Insurance Corporation. At December 31, 2018 and 2017, cash equivalents consisted primarily of money market mutual funds.

Investments and Investment Return

Investments in equity securities having a readily determinable fair value and in all debt securities are carried at fair value. Investment return includes dividends, interest and realized and unrealized gains and losses on investments.

The Foundation also invests in certain private equity, hedge funds, real estate and natural resource funds, which are primarily held through limited partnerships. The estimated fair values of these limited partnership investments are based on valuations provided by the external investment managers or general partners, adjusted for cash receipts, disbursements and significant known valuation changes. The Foundation believes the carrying values of these investments are a reasonable estimate of fair value. Because these investments are not readily marketable and may be subject to withdrawal restrictions, their estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market for such investments existed. Such differences could be material.

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

The Foundation maintains pooled investment accounts for certain of its endowments. Investment income and realized and unrealized gains and losses from securities in the pooled investment accounts are allocated monthly to the individual endowments based on the relationship of the fair value of the interest of each endowment to the total fair value of the pooled investment accounts, as adjusted for additions to or deductions from those accounts. The amounts held for others are also a component of the pooled investment fund and reflect the funds held by the Foundation for the benefit of outside parties.

Asset Held for Sale

At December 31, 2018, the Foundation has a property held for sale with a net book value of \$374,362. In April 2019, the Foundation completed the sale of this property and received net proceeds of \$1,038,128.

Property and Equipment

Expenditures for property and equipment and items which substantially increase the useful lives of existing assets are capitalized at cost. The Foundation provides for depreciation on the straight-line method at rates designed to depreciate the costs of assets over estimated useful lives as follows:

	<u>Years</u>
Furniture and equipment	3-7
Buildings and improvements	5-50

Long-Lived Asset Impairment

The Foundation evaluates recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. No asset impairment was recognized during the years ended December 31, 2018 and 2017.

Amounts Held for Others

The Foundation occasionally receives contributions from other not-for-profit organizations in which the donor organization specifies itself as the beneficiary of the fund. In such instances, the Foundation records the contributed assets and any accumulated investment earnings as a liability on the combined and consolidated statements of financial position.

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

Net Assets

Net assets, revenues, gains and losses are classified based on the existence or absence of donor imposed restrictions. Net assets without donor restrictions are available for use in general operations and not subject to donor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment. Net assets with donor restrictions are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Contributions

Gifts of cash and other assets received without donor stipulations are reported as revenue and net assets without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as revenue and net assets with donor restrictions. When a donor stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combined and consolidated statements of activities as net assets released from restrictions. Gifts and investment income that are originally restricted by the donor and for which the restriction is met in the same time period are recorded as net assets with donor restrictions and then released from restriction.

Gifts of land, buildings, equipment and other long-lived assets are reported as revenue and net assets without donor restriction unless explicit donor stipulations specify how such assets must be used, in which case the gifts are reported as revenue and net assets with donor restrictions. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting in reclassification of net assets with donor restrictions as net assets without donor restrictions are reported when the long-lived assets are placed in service.

Unconditional gifts expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in future years are reported at the present value of estimated future cash flows. The resulting discount is amortized using the level-yield method and is reported as contribution revenue.

Conditional gifts depend on the occurrence of a specified future and uncertain event to bind the potential donor and are recognized as assets and revenue when the conditions are substantially met and the gift becomes unconditional.

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

Income Taxes

All of the aforementioned entities are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and a similar provision of state law. However, all entities are subject to federal income tax on any unrelated business taxable income. The Foundation and its related entities file tax returns in the U.S. federal jurisdiction.

Functional Allocation of Expenses

The costs of supporting the various programs and other activities have been summarized on a functional basis in the combined and consolidated statements of activities. The 2018 statement of expenses presents the natural classification detail of expenses by function. Certain costs have been allocated among the program, management and general and fund raising categories primarily based on the time spent by Foundation personnel and other methods.

Revisions

An immaterial revision was made to the 2017 combined and consolidated statement of financial position, statement of activities, investment and fair value disclosures to classify seven funds as beneficial interest in perpetual trusts and net assets with donor restrictions. On the combined and consolidated statement of financial position, these funds were previously classified as investments (\$16,185,357). Within the investments disclosure, these funds were previously classified as large cap equity (\$6,305,743), international equity (\$5,632,634), and fixed income investments (\$4,246,980). Within the combined and consolidated statement of financial position and statement of activities, these funds were classified as net assets without donor restrictions (\$16,185,357). A line item on the 2017 combined and consolidated statement of activities has been added for this revision in net asset classification (\$16,185,357). Finally, these funds were previously classified as Level 1 measurements within the fair value hierarchy table as money markets (\$674,190), large cap equity (\$5,631,553), international equity (\$5,632,634) and fixed income investments (\$4,246,980). The beneficial interest in these perpetual trusts are classified as Level 2 within the fair value hierarchy table.

An immaterial revision was also made to the 2017 endowment footnote to remove the net assets from remainder trusts and beneficial interest in perpetual trusts and related activity. Within the 2017 endowment footnote, the following revisions were made: endowment net assets, beginning of year (\$23,526,896), investment income (\$781,447), net depreciation (\$1,711,655), total investment return (\$2,493,102), contributions (\$1,163,884), appropriation of endowment assets for expenditure (\$289,066) and endowment net assets, end of year (\$27,472,948).

These changes had no effect on the combined and consolidated statement of cash flows.

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

Subsequent Events

Subsequent events have been evaluated through October 8, 2019, which is the date the combined and consolidated financial statements were available to be issued.

Note 2: Change in Accounting Principle

In 2018, the Foundation, adopted ASU 2016-14, Not-For-Profit Entities (Topic 958): *Presentation of Financial Statements of Not-For-Profit Entities*. A summary of the changes is as follows:

Statement of Financial Position

- The statement of financial position distinguishes between two new classes of net assets – those with donor-imposed restrictions and those without. This is a change from the previously required three classes of net assets – unrestricted, temporarily restricted and permanently restricted.

Statement of Activities

- Expenses are reported by both nature and function in one location.
- Investment income is shown net of external and direct internal investment expenses. Disclosure of the expenses netted against investment income is no longer required.

Notes to the Financial Statements

- Enhanced quantitative and qualitative disclosures provide additional information useful in assessing liquidity and cash flows available to meet operating expenses for one-year from the date of the statement of financial position.

This change had no impact on previously reported total change in net assets.

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

Note 3: Investments

The Foundation's investments are as follows:

	Fair Value	
	2018	2017
Large cap equity	\$ 145,181,434	\$ 165,968,744
Mid cap equity	2,295,977	3,213,712
Small cap equity	14,373,711	11,649,321
International equity	138,254,783	143,755,632
Fixed income	108,143,698	98,058,856
	<u>408,249,603</u>	<u>422,646,265</u>
Alternatives and other		
Private equity	101,495,678	86,504,833
Hedge funds	128,595,106	144,181,065
Real estate	97,673	375,020
Natural resources	32,132,617	40,598,175
	<u>262,321,074</u>	<u>271,659,093</u>
Total investments	<u>\$ 670,570,677</u>	<u>\$ 694,305,358</u>

Note 4: Contributions and Grants Receivable

	With Donor Restrictions	
	2018	2017
Due within one year	\$ 8,470,804	\$ 6,582,747
Due in one to five years	365,000	870,000
Due in more than five years	175,000	175,000
	<u>9,010,804</u>	<u>7,627,747</u>
Less discount	<u>(116,668)</u>	<u>(144,170)</u>
	8,894,136	7,483,577
Less allowance	<u>(105,806)</u>	<u>(124,929)</u>
Total	<u>\$ 8,788,330</u>	<u>\$ 7,358,648</u>

The discount rates for 2018 and 2017 ranged from 0.95% to 4.73% and 0.20% and 4.73%, respectively.

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

Contributions and grants receivable designated for specific purposes are as follows:

	2018	2017
Endowment	\$ 6,865,709	\$ 5,231,759
Time restriction	413,231	401,068
Projects	1,509,390	1,725,821
Total	\$ 8,788,330	\$ 7,358,648

Note 5: Program-Related Investments

The Foundation owns several properties that have been donated over the years and that are used by various not-for-profit organizations. Such properties are stated at fair value based on appraisals performed on all properties. The Foundation has entered into long-term lease arrangements and charges the organizations nominal rent. Therefore, such program-related investments are not income-producing properties.

Note 6: Endowment

The Foundation's endowment consists of over 800 individual funds established for a variety of purposes. The endowment includes both funds established by donors and funds designated by the Board to function as endowments (board-designated endowment funds). The Foundation maintains variance power over all of the endowment funds (including those established by donors) as provided within the fund agreements. As required by accounting principles generally accepted in the United States of America (GAAP), net assets associated with endowment funds, including board-designated endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions.

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

While the Foundation ultimately has variance power over all of the assets maintained in endowment funds, the Foundation considers the following factors in making a determination to appropriate or accumulate endowment funds:

1. Duration and preservation of the fund
2. Purposes of the Foundation and the fund
3. General economic conditions
4. Possible effect of inflation and deflation
5. Expected total return from investment income and appreciation or depreciation of investments
6. Other resources of the Foundation
7. Investment policies of the Foundation

To satisfy its long-term rate of return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both current yield (investment income such as dividends and interest) and capital appreciation (both realized and unrealized). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs and other items supported by its endowment while seeking to maintain the purchasing power of the endowment. Under the Foundation's policies, endowment assets are invested in a manner that is intended to produce results that exceed each investment strategy's respective index while assuming a moderate level of investment risk. The primary investment objective of the Fund is to achieve an annualized total return (net of fees and expenses), equal to or greater than the rate of inflation (as measured by the broad, domestic Consumer Price Index) plus any spending and administrative expenses thus, at a minimum maintaining the purchasing power of the Fund. The assets are to be managed in a manner that will meet the primary investment objective, while at the same time attempting to limit volatility in year-to-year spending. Actual returns in any given year may vary from this amount.

The Foundation has a policy (the spending policy) of appropriating for expenditure each year 5% of its endowment fund's ending fair value of the prior year. In establishing this policy, the Foundation considered the long-term expected return on its endowment. The primary objective of the endowment is to achieve a total return, net of fees, equal to or greater than spending, administrative fees and inflation. This is consistent with the Foundation's objective to maintain the purchasing power of endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return.

At December 31, 2018 and 2017, the Foundation's endowment funds without donor restrictions were \$395,703,079 and \$429,414,422, respectively.

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

Changes in endowment net assets for the years ended December 31, 2018 and 2017, were:

	Without Donor Restrictions	
	2018	2017
Endowment net assets, beginning of year	\$ 429,414,422	\$ 390,302,048
Investment return		
Investment income	3,032,017	3,265,417
Net appreciation (depreciation)	<u>(23,536,516)</u>	<u>50,636,848</u>
Total investment return	<u>(20,504,499)</u>	<u>53,902,265</u>
Contributions	7,890,607	8,103,218
Appropriation of endowment assets for expenditure	<u>(21,097,451)</u>	<u>(22,893,109)</u>
Endowment net assets, end of year	<u><u>\$ 395,703,079</u></u>	<u><u>\$ 429,414,422</u></u>

Note 7: Property and Equipment

The Foundation's property and equipment are as follows:

	2018	2017
Buildings and improvements	\$ 19,215,987	\$ 19,102,583
Furnishings and equipment	<u>3,129,962</u>	<u>2,557,624</u>
	22,345,949	21,660,207
Accumulated depreciation	<u>(16,012,806)</u>	<u>(15,042,979)</u>
	6,333,143	6,617,228
Work in process	22,650	256,288
Land	<u>257,536</u>	<u>257,536</u>
	<u><u>\$ 6,613,329</u></u>	<u><u>\$ 7,131,052</u></u>

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

Note 8: Beneficial Interest Trusts

The Foundation is the beneficiary under various perpetual trusts administered by an outside party. Under the terms of the trusts, the Foundation has the irrevocable right to receive income earned on the trusts' assets in perpetuity, but never receives the assets held in trusts. The estimated value of the expected future cash flows is \$28,259,499 and \$31,944,677, which represents the fair value of the trusts' assets at December 31, 2018 and 2017, respectively.

Note 9: Grant and Gift Commitments

As of December 31, 2018 and 2017, the Foundation was committed to various charitable organizations for grants and commitments, payable over future years in the amounts of \$13,394,638 and \$14,850,410, respectively. Grant activities detailed during the years are as follows:

	<u>2018</u>	<u>2017</u>
Grants payable, beginning of year	\$ 14,850,410	\$ 15,774,024
Grants paid during the year		
The Indianapolis Foundation, Inc.	12,761,223	14,440,891
Hamilton County Community Foundation, Inc.	5,406,627	4,436,390
Central Indiana Community Foundation	24,348,423	20,439,937
Affiliated Organizations	3,000,117	2,022,334
Total grants paid	<u>45,516,390</u>	<u>41,339,552</u>
Grants approved during the year		
The Indianapolis Foundation, Inc.	13,449,622	15,150,945
Hamilton County Community Foundation, Inc.	5,397,073	4,795,214
Central Indiana Community Foundation	22,213,806	18,447,445
Affiliated Organizations	3,000,117	2,022,334
Total grants approved	<u>44,060,618</u>	<u>40,415,938</u>
Grants payable, end of year	<u>\$ 13,394,638</u>	<u>\$ 14,850,410</u>

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

Future maturities of grant and gift commitments are as follows:

2019	\$ 9,276,513
2020	2,265,112
2021	1,568,500
2022	713,000
2023	40,000
Thereafter	5,000
Total grant and gift commitments	13,868,125
Amounts representing discount	(473,487)
	\$ 13,394,638

The Foundation does approve grants with conditions; however, conditional grants are only recorded as payable when the conditions have been substantially met by the recipient. As of December 31, 2018, the Foundation had approximately \$250,000 in conditional grants outstanding.

Note 10: Annuities and Trusts Payable

The Foundation has been the recipient of several gift annuities, which require future payments to the donors or their named beneficiaries. The assets received from the donors are recorded at fair value. The Foundation has recorded a liability at December 31, 2018 and 2017 of \$82,185 and \$83,209, which represents the present value of the future annuity obligations. The liability has been determined using a discount rate range of 2.2% to 8.0%.

The Foundation administers various charitable remainder trusts. A charitable remainder trust provides for the payment distributions to the grantor or other designated beneficiaries over the trust's term (usually the designated beneficiary's lifetime.) At the end of the trust's term, the remaining assets are available for the Foundation's use. The portion of the trust attributable to the future interest of the Foundation is recorded in the combined and consolidated statements of activities as contributions with donor restrictions in the period the trust is established. Assets held in the charitable remainder trusts are recorded at fair value in the Foundation's combined and consolidated statements of financial position. On an annual basis, the Foundation revalues the liability to make distributions to the designated beneficiaries based on actuarial assumptions. At December 31, 2018 and 2017, this liability was \$1,860,059 and \$2,281,950, respectively. The present value of the estimated future payments is calculated using a discount rate range of 1.2% to 10.0% in 2018 and 2017 and applicable mortality tables.

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

Note 11: Net Assets

Net Assets With Donor Restrictions

Net assets with donor restrictions at December 31 are restricted for the following purposes or periods:

	2018	2017
Subject to expenditure for specified purpose		
Support and maintenance of the English Foundation	\$ 2,326,608	\$ 2,500,407
Program funds of the Indianapolis Parks Foundation	11,218,534	2,673,171
Program funds of Nextech	61,186	186,000
	13,606,328	5,359,578
Subject to the passage of time		
Trust agreements	12,367,260	12,996,306
Land held for investment	-	100,834
Time restrictions	8,767,768	7,397,829
	21,135,028	20,494,969
Endowments		
Subject to appropriation and expenditures when a specified event occurs		
Restricted by donors for support of Indianapolis Parks Foundation	658,501	684,379
	28,259,499	32,111,507
Beneficial interest in perpetual trusts	107,536	107,536
Land related to English Foundation	28,367,035	32,219,043
	\$ 63,766,892	\$ 58,757,969

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

Net Assets Released From Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

	2018	2017
Purpose or time restrictions accomplished		
Time and purpose restrictions	\$ 2,918,186	\$ 6,843,511
Release by third-party trustees of certain gains on operations and depreciation, English Foundation	127,938	289,615
Purpose restrictions accomplished, Nextech	174,814	431,077
Purpose restrictions accomplished, Indianapolis Parks Foundation	2,784,444	1,838,765
Total net assets released from restrictions	\$ 6,005,382	\$ 9,402,968

Note 12: Employee Benefit Plans

The Foundation has a defined-contribution 403(b) pension plan covering substantially all employees. The Board of Directors annually determines the amount, if any, of the Foundation's contributions to the plan. Contributions to this plan were \$232,062 and \$181,790 for 2018 and 2017, respectively.

The Foundation also has a noncontributory defined-benefit pension plan covering all employees who meet the eligibility requirements. The Foundation's funding policy is to make the minimum annual contribution that is required by applicable regulations, plus such amounts as the Foundation may determine to be appropriate from time to time.

In November 2010, the Board of Directors approved a resolution to amend the current plan such that current participants would continue to accrue benefits under the existing plan, but employees hired subsequent to April 2, 2011 would be ineligible for the plan and associated benefits.

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

The Foundation uses a December 31 measurement date for the plans. Significant balances, costs and assumptions are:

	<u>2018</u>	<u>2017</u>
Benefit obligation	\$ 8,892,204	\$ 9,204,705
Fair value of plan assets	<u>4,809,713</u>	<u>4,738,586</u>
Funded status	<u>\$ (4,082,491)</u>	<u>\$ (4,466,119)</u>
Accumulated benefit obligation	<u>\$ 7,659,910</u>	<u>\$ 7,789,744</u>
Amounts recognized in the combined and consolidated statements of financial position:		
Accrued benefit cost	<u>\$ 4,082,491</u>	<u>\$ 4,466,119</u>

Amounts recognized in net assets without donor restrictions not yet recognized as components of net periodic benefit cost consist of:

	<u>2018</u>	<u>2017</u>
Net loss	<u>\$ 971,550</u>	<u>\$ 1,453,443</u>

Other significant balances and costs are:

	<u>2018</u>	<u>2017</u>
Employer contributions	\$ 416,897	\$ 200,000
Benefits paid	171,057	171,057
Other - cost of settlement	-	1,074,214
Net periodic benefit costs	515,162	634,877

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

Other changes in plan assets and benefit obligations recognized in the change in net assets include:

	2018	2017
Amounts arising during the period		
Net (gain) loss	\$ (427,285)	\$ 518,653
Amounts reclassified as components of net periodic benefit cost of the period		
Net loss	54,608	22,727
Settlement	-	169,609

The estimated net loss for the defined-benefit pension plan that will be amortized from net assets without donor restrictions into net periodic benefit cost over the next fiscal year is \$82,330.

Significant assumptions include:

	2018	2017
Weighted-average assumptions used to determine benefit obligations:		
Discount rate	4.20%	3.65%
Rate of compensation increase	3.61%	3.67%
Weighted-average assumptions used to determine benefit costs:		
Discount rate	3.65%	4.25%
Expected return on plan assets	5.80%	5.80%
Rate of compensation increase	3.67%	3.96%

Historical and future expected returns of multiple asset classes were analyzed to develop a risk-free real rate of return and risk premiums for each asset class. The overall rate for each asset class was developed by combining a long-term inflation component, the risk-free real rate of return and the associated risk premium. A weighted-average rate was developed based on those overall rates and the target asset allocation of the plan.

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

The investment strategy of the plan assets is to diversify investments so as to provide a balance that will enhance total return, while avoiding undue risk concentrations in any single asset class or investment category. The diversification does not necessarily depend upon the number of industries or companies in a portfolio or their particular location, but rather upon the broad nature of such investments and of the factors that may influence them. The target asset allocation is as follows:

	2018	2017
Large cap equity	29%	29%
Mid cap equity	6%	6%
Small cap equity	2%	3%
International equity	2%	2%
Fixed income	61%	60%
	100%	100%

Pension Plan Assets

Following is a description of the valuation methodologies used for pension plan assets measured at fair value on a recurring basis and recognized in the accompanying combined and consolidated statements of financial position, as well as the general classification of pension plan assets pursuant to the valuation hierarchy.

Where quoted market prices are available in an active market, plan assets are classified within Level 1 of the valuation hierarchy. Level 1 plan assets include publicly traded mutual funds. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of plan assets with similar characteristics or discounted cash flows. In certain cases where Level 1 or Level 2 inputs are not available, plan assets are classified within Level 3 of the hierarchy.

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

The fair values of the Foundation's pension plan assets at December 31, 2018 and 2017, by asset category, are as follows:

	2018				
	Fair Value Measurements Using				
Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at NAV	
Mutual funds					
Equity funds					
U.S. equity	\$ 1,401,814	\$ 1,401,814	\$ -	\$ -	\$ -
Developed international	257,592	257,592	-	-	-
Emerging markets	100,060	100,060	-	-	-
Real assets	115,591	115,591	-	-	-
Fixed income and cash	<u>2,934,656</u>	<u>2,934,656</u>	-	-	-
	<u>\$ 4,809,713</u>	<u>\$ 4,809,713</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

	2017				
	Fair Value Measurements Using				
Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at NAV	
Mutual funds					
Equity funds					
U.S. equity	\$ 1,376,816	\$ 1,376,816	\$ -	\$ -	\$ -
Developed international	297,572	297,572	-	-	-
Emerging markets	118,677	118,677	-	-	-
Real assets	117,357	117,357	-	-	-
Fixed income and cash	<u>2,828,164</u>	<u>2,828,164</u>	-	-	-
	<u>\$ 4,738,586</u>	<u>\$ 4,738,586</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

Plan assets are held by a trust fund, which invests the plan assets in accordance with the provisions of the plan agreement. The plan agreements permit investment in common stocks, corporate bonds and debentures, U.S. Government securities, certain insurance contracts, real estate and other specified investments, based on certain target allocation percentages.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid as of December 31, 2018:

2019	\$	240,000
2020		240,000
2021		310,000
2022		330,000
2023		340,000
2024 - 2028		2,430,000

Note 13: Disclosures About Fair Value of Assets and Liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying combined and consolidated statements of financial position, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended December 31, 2018. For assets classified within Level 3 of the fair value hierarchy, the process used to develop the reported fair value is described below.

Money Market Mutual Funds

Where quoted market prices are available in an active market, money market mutual funds are classified within Level 1 of the valuation hierarchy.

Investments

Large Cap Equity, Mid Cap Equity, Small Cap Equity and International Equity: Where quoted market prices are available in an active market, these securities are classified within Level 1 of the valuation hierarchy. In situations in which quoted market prices are not available, the Foundation uses net asset value (or its equivalent) as a practical expedient to estimate fair value. Funds in which the fair value of the funds have been estimated using the NAV per share of the investments are included within the Investments Measured at NAV category of the valuation hierarchy.

Fixed Income: Where quoted market prices are available in an active market, fixed income securities are classified within Level 1 of the valuation hierarchy. For fixed income securities that are not publicly traded, the pricing service may use various inputs to determine fair value. Such inputs may include one, or a combination of, observable inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, net asset value and reference data market research publications. Funds in which the fair value of the funds have been estimated using the NAV per share of the investments are included within the Investments Measured at NAV category of the valuation hierarchy.

Alternative Investments: As a practical expedient, fair value of alternative investments is determined using the net asset value (or its equivalent) supplied by the respective fund managers. Alternative investments in which the fair value of the funds have been estimated using the NAV per share of the investments are included within the Investments Measured at NAV category of the valuation hierarchy.

Fair value determinations for investments measured at NAV are the responsibility of the Finance and Operation's office. The Finance and Operation's office utilizes the valuations provided by fund managers to generate fair value estimates on a monthly or quarterly basis and challenges the reasonableness of the assumptions used and reviews the methodology to ensure the estimated fair value complies with accounting principles generally accepted in the United States of America.

Program-Related Investments and Land Held for Investment

Fair value is estimated based on appraisals prepared by outside parties.

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

Contributions Receivable From Remainder Trusts

Fair value is estimated at the present value of the estimated expected future benefits to be received when the trust assets are distributed.

Beneficial Interest in Perpetual Trust

Fair value is estimated at the present value of the future distributions expected to be received over the term of the agreement, which approximates the fair value of the underlying trust assets of marketable securities. Due to the nature of the valuation inputs, the interest is classified within Level 2 of the hierarchy.

Recurring Measurements

The following tables present the fair value measurements of assets recognized in the accompanying combined and consolidated statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2018 and 2017:

	2018				
	Fair Value	Fair Value Measurements Using			
Quoted Prices in Active Markets for Identical Assets (Level 1)		Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at NAV ^(A)	
Money market mutual funds included in cash equivalents	\$ 22,627,847	\$ 22,627,847	\$ -	\$ -	\$ -
Investments					
Large cap equity (B)	140,197,988	53,065,253	-	-	87,132,735
Mid cap equity	2,295,977	2,295,977	-	-	-
Small cap equity	14,373,711	14,373,711	-	-	-
International equity	138,254,783	45,036,868	-	-	93,217,915
Fixed income	108,143,698	33,401,196	-	-	74,742,502
Alternatives and other					
Private equity	101,495,678	-	-	-	101,495,678
Hedge funds	128,595,106	-	-	-	128,595,106
Real estate	97,673	-	-	-	97,673
Natural resources	32,132,617	-	-	-	32,132,617
	<u>665,587,231</u>	<u>148,173,005</u>	<u>-</u>	<u>-</u>	<u>517,414,226</u>
Program-related investments	190,000	-	190,000	-	-
Contributions receivable from remainder trusts	5,582,493	-	-	5,582,493	-
Beneficial interest in perpetual trusts	28,259,499	-	28,259,499	-	-

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

	2017				
	Fair Value Measurements Using				
Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at NAV ^(A)	
Money market mutual funds included in cash equivalents	\$ 46,056,236	\$ 46,056,236	\$ -	\$ -	\$ -
Investments					
Large cap equity (B)	157,001,555	73,649,079	-	-	83,352,476
Mid cap equity	3,213,712	3,213,712	-	-	-
Small cap equity	11,649,321	11,649,321	-	-	-
International equity	143,755,632	31,021,399	-	-	112,734,233
Fixed income	98,058,856	34,488,022	-	-	63,570,834
Alternatives and other					
Private equity	86,504,833	-	-	-	86,504,833
Hedge funds	144,181,065	-	-	-	144,181,065
Real estate	375,020	-	-	-	375,020
Natural resources	40,598,175	-	-	-	40,598,175
	<u>685,338,169</u>	<u>154,021,533</u>	<u>-</u>	<u>-</u>	<u>531,316,636</u>
Program-related investments	190,000	-	190,000	-	-
Land held for investment	100,834	-	100,834	-	-
Contributions receivable from remainder trusts	5,103,241	-	-	5,103,241	-
Beneficial interest in perpetual trusts	31,944,677	-	31,944,677	-	-

- (A) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts included above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of financial position.
- (B) The large cap equity amounts above exclude \$4,983,446 and \$8,967,189 of cash balances that are not considered to be fair value measurements at December 31, 2018 and 2017, respectively.

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

The following is a reconciliation of the beginning and ending balances of recurring fair value measurements recognized in the accompanying combined and consolidated statements of financial position using significant unobservable (Level 3) inputs:

	Contributions Receivable From Remainder Trusts
Balance, January 1, 2017	\$ 3,359,344
Change in value of split-interest agreements	1,743,897
Balance, December 31, 2017	5,103,241
Change in value of split-interest agreements	479,252
Balance, December 31, 2018	\$ 5,582,493
Total gains for the period included in the change in net assets attributable to the change in unrealized gains related to assets still held at December 31, 2018	\$ -
Total gains for the period included in the change in net assets attributable to the change in unrealized gains related to assets still held at December 31, 2017	\$ -

Unobservable (Level 3) Inputs

The fair value of the contributions receivable from remainder trusts is estimated at the present value of the estimated expected future benefits to be received and was \$5,582,493 and \$5,103,241 at December 31, 2018 and 2017, respectively. The fair value of the receivable from remainder trusts is based on unobservable inputs such as mortality tables and discount rates, which ranged from 1.2% to 10.0%.

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

Investments Valued at Net Asset Value

The following tables present information regarding funds with fair value that is determined using the net asset value (or its equivalent) provided by the fund.

	2018			
	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Assets				
Large cap equity	\$ 87,132,735	\$ -	Monthly, quarterly	1-60 days
International equity	93,217,915	-	Monthly, quarterly	10-60 days
Fixed income	74,742,502	-	Daily, monthly	2-10 days
Alternative investments				
Private equity	101,495,678	33,734,215	Not eligible	n/a
Hedge funds	128,595,106	-	Monthly, quarterly or (bi)annually	5-90 days
Real estate	97,673	393,333	Not eligible	n/a
Natural resources	32,132,617	9,461,778	Monthly, not eligible	5 - n/a

	2017			
	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Assets				
Large cap equity	\$ 83,352,476	\$ -	Monthly, quarterly	1-60 days
International equity	112,734,233	-	Monthly, quarterly	10-60 days
Fixed income	63,570,834	-	Daily, monthly, quarterly	2-10 days
Alternative investments				
Private equity	86,504,833	30,035,984	Not eligible	n/a
Hedge funds	144,181,065	-	Monthly, quarterly or (bi)annually	5-90 days
Real estate	375,020	393,333	Not eligible	n/a
Natural resources	40,598,175	10,809,470	Not eligible	5-n/a

Large cap and international equity are investments in marketable securities managed within a partnership agreement. The fund manager is able to shift strategies within a specific band and may employ financing to execute such strategies, but does not use net short positions. The fair values of these investments have been estimated using the net asset value per share.

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

Fixed income includes various fixed income securities managed within a partnership agreement. The fair values of these investments have been estimated using the net asset value per share.

Private equity includes partnerships with fund managers investing in debt or equity securities of primarily U.S. public or private companies at various stages within their life cycle. The partnerships are either direct, fund of funds or secondary issuances across multiple strategies expected to significantly exceed performance of traditional equity indices. It is estimated that the underlying assets of the fund will be liquidated over the next 2 to 7 years. Because it is not probable that any individual investment will be sold, the fair value of each individual investment has been estimated using the net asset value of the Foundation's ownership interest in partners' capital.

Hedge funds include absolute return, opportunistic and equity-oriented long/short hedge funds. The Foundation is a limited partner with the fund manager who is compensated by outperforming global equity markets using multiple strategies. Managers are selected based on demonstrated expertise within their strategy but are not restricted as to securities within any asset class. The partnership may be net long [i.e. own a security] or net short [i.e. an obligation to buy a security] and have multiple sources and levels of financing beyond the partners' capital in order to execute strategy. It is estimated that the underlying assets of the fund will be liquidated over the next 1 to 3 years. Because it is not probable that any individual investment will be sold, the fair value of each individual investment has been estimated using the net asset value of the Foundation's ownership interest in partners' capital.

Real estate investments include partnerships that invest in residential, multi-family, commercial and distressed properties primarily in North America. The fair values of the investments in this category have been estimated using the net asset value of the Foundation's ownership interest in the partners' capital. It is estimated that the underlying assets of the fund will be liquidated over the next 3 to 7 years. Because it is not probable that any individual investment will be sold, the fair value of each individual investment has been estimated using the net asset value of the Foundation's ownership interest in partners' capital.

Natural resources include investments in partnerships that invest primarily in oil and gas royalties and timber properties. The fair values of the investments in this category have been estimated using the net asset value of the Foundation's ownership interest in the partners' capital. Under the terms of the partnership agreements, capital is committed for 7 to 12 years and may not be redeemed. Typically, the general partner requests capital during the initial 3 to 5 year period in order to fund activities. Distributions are made throughout and upon dissolution of the partnership. It is estimated that the underlying assets of the fund will be liquidated over the next 3 to 15 years. Because it is not probable that any individual investment will be sold, the fair value of each individual investment has been estimated using the net asset value of the Foundation's ownership interest in partners' capital.

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

Note 14: Liquidity and Availability

Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of December 31, 2018, comprise the following:

	2018
Cash and cash equivalents	\$ 57,119,230
Redeemable investments	563,993,880
Contributions and grants receivable	8,788,330
Accrued investment income	176,048
Total liquid financial assets	630,077,488
 Donor-imposed restrictions	
Restricted funds, less trust agreements, beneficial interest in perpetual trusts and land held for investment	22,374,096
Endowments	658,501
Total donor-imposed restrictions	23,032,597
 Financial assets available to meet cash needs for general expenditures within one year	\$ 607,044,891

The Foundation's endowment fund consists of funds established by donors and funds designated by the Board. As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. Occasionally, the Board will designate a portion of any operating surplus to its operating reserve, which was \$5,723,472 and \$5,596,587 as of December 31, 2018 and 2017, respectively.

Note 15: Significant Estimates, Concentrations and Contingencies

Concentrations

Accounting principles generally accepted in the United States of America require disclosure of current vulnerabilities due to certain concentrations. Approximately 11% and 26% of all contributions were received from one donor for the years ended December 31, 2018 and 2017, respectively.

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Notes to Combined and Consolidated Financial Statements
December 31, 2018 and 2017**

Contingencies

The Foundation is subject to claims and lawsuits that arise primarily in the ordinary course of business. It is the opinion of management that the disposition or ultimate resolution of these claims and lawsuits will not have a material adverse effect on the combined and consolidated financial position, change in net assets and cash flows of the Foundation.

Pension Benefit Obligations

The Foundation has a noncontributory defined-benefit pension plan whereby it agrees to provide certain postretirement benefits to eligible employees. The benefit obligation is the actuarial present value of all benefits attributed to service rendered prior to the valuation date. It is reasonably possible that events could occur that would change the estimated amount of this liability materially in the near term.

Investments

The Foundation invests in various investment securities including those held in the defined-benefit pension plan. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the accompanying combined and consolidated statements of financial position.

Supplementary Information

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Combining and Consolidating Information - Statement of Financial Position
December 31, 2018**

	2018					
	The Indianapolis Foundation, Inc.	Hamilton County Community Foundation	Central Indiana Community Foundation	Affiliated Organizations	Eliminations	Total
Assets						
Cash and cash equivalents	\$ 16,655,995	\$ 4,362,383	\$ 23,297,383	\$ 12,803,469	\$ -	\$ 57,119,230
Investments, at market	228,630,148	58,822,870	369,706,144	13,411,515	-	670,570,677
Contributions and grants receivable	6,931,485	110,612	1,135,925	706,308	(96,000)	8,788,330
Accrued investment income	84,782	19,026	71,794	446	-	176,048
Other assets	567,788	687	356,028	7,821	-	932,324
Program-related investments	190,000	-	-	-	-	190,000
Land held for investment	-	-	-	-	-	-
Contributions receivable in remainder trust	778,571	588,376	4,215,546	-	-	5,582,493
Property and equipment, net	484,990	1,780	4,290,580	1,835,979	-	6,613,329
Beneficial interest in perpetual trusts	23,409,579	-	4,849,920	-	-	28,259,499
Due from other funds	398,000	-	131,857	-	(529,857)	-
	<u>\$ 278,131,338</u>	<u>\$ 63,905,734</u>	<u>\$ 408,055,177</u>	<u>\$ 28,765,538</u>	<u>\$ (625,857)</u>	<u>\$ 778,231,930</u>
Total assets	<u>\$ 278,131,338</u>	<u>\$ 63,905,734</u>	<u>\$ 408,055,177</u>	<u>\$ 28,765,538</u>	<u>\$ (625,857)</u>	<u>\$ 778,231,930</u>
Liabilities and Net Assets						
Liabilities						
Accounts payable	\$ 36,960	\$ 199,987	\$ 464,540	\$ 37,143	\$ -	\$ 738,630
Accrued pension and vacation	1,071,734	737,773	2,158,516	383,876	-	4,351,899
Investment fees payable	98,035	25,144	165,739	1,536	-	290,454
Grant and gift commitments payable	1,815,939	1,156,963	10,517,736	-	(96,000)	13,394,638
Annuities payable	10,442	-	71,743	-	-	82,185
Income beneficiaries payable	-	-	1,860,059	-	-	1,860,059
Amounts held for others	40,846,093	6,586,569	34,843,132	-	-	82,275,794
Due to other funds	-	-	340,000	189,857	(529,857)	-
	<u>43,879,203</u>	<u>8,706,436</u>	<u>50,421,465</u>	<u>612,412</u>	<u>(625,857)</u>	<u>102,993,659</u>
Total liabilities	<u>43,879,203</u>	<u>8,706,436</u>	<u>50,421,465</u>	<u>612,412</u>	<u>(625,857)</u>	<u>102,993,659</u>
Net Assets						
Without donor restrictions	202,956,511	54,552,528	340,074,043	13,888,297	-	611,471,379
With donor restrictions	31,295,624	646,770	17,559,669	14,264,829	-	63,766,892
	<u>234,252,135</u>	<u>55,199,298</u>	<u>357,633,712</u>	<u>28,153,126</u>	<u>-</u>	<u>675,238,271</u>
Total net assets	<u>234,252,135</u>	<u>55,199,298</u>	<u>357,633,712</u>	<u>28,153,126</u>	<u>-</u>	<u>675,238,271</u>
Total liabilities and net assets	<u>\$ 278,131,338</u>	<u>\$ 63,905,734</u>	<u>\$ 408,055,177</u>	<u>\$ 28,765,538</u>	<u>\$ (625,857)</u>	<u>\$ 778,231,930</u>

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Combining and Consolidating Information - Statement of Activities
Year Ended December 31, 2018**

	The Indianapolis Foundation, Inc.		
	Without Donor Restrictions	With Donor Restrictions	IF Total
Revenue and Support			
Total amounts raised	\$ 21,263,547	\$ 2,434,134	\$ 23,697,681
Less amounts for agency funds	(2,928,980)	-	(2,928,980)
Total contributions	18,334,567	2,434,134	20,768,701
Investment income	1,021,926	-	1,021,926
Realized and unrealized losses	(8,887,955)	(2,409,939)	(11,297,894)
Rental and other income	363,918	-	363,918
Total revenue	10,832,456	24,195	10,856,651
Net assets released from restriction	976,720	(976,720)	-
Total revenue and support	11,809,176	(952,525)	10,856,651
Expenses			
Grant expenses	19,500,914	-	19,500,914
Program expenses	1,229,071	-	1,229,071
Management and general	860,347	-	860,347
Fundraising and development	368,720	-	368,720
Total expenses	21,959,052	-	21,959,052
Change in Net Assets Before Other			
Gains (Losses)	(10,149,876)	(952,525)	(11,102,401)
Other Gains (Losses)			
Changes in value of split-interest agreements	(957)	(118,316)	(119,273)
Changes in defined-benefit plan	119,742	-	119,742
Total other gains (losses)	118,785	(118,316)	469
Transfers and Other Changes to Net Assets			
	(196,421)	-	(196,421)
Change in Net Assets	(10,227,512)	(1,070,841)	(11,298,353)
Net Assets, Beginning of Year	213,184,023	32,366,465	245,550,488
Net Assets, End of Year	\$ 202,956,511	\$ 31,295,624	\$ 234,252,135

2018

Hamilton County Community Foundation, Inc.			Central Indiana Community Foundation		
Without Donor Restrictions	With Donor Restrictions	HCCF Total	Without Donor Restrictions	With Donor Restrictions	CICF Total
\$ 11,034,028	\$ -	\$ 11,034,028	\$ 16,866,453	\$ 752,089	\$ 17,618,542
(838,727)	-	(838,727)	(1,053,299)	-	(1,053,299)
10,195,301	-	10,195,301	15,813,154	752,089	16,565,243
346,540	-	346,540	1,587,884	-	1,587,884
(3,276,581)	-	(3,276,581)	(15,817,606)	(1,443,340)	(17,260,946)
131,536	-	131,536	1,644,147	-	1,644,147
7,396,796	-	7,396,796	3,227,579	(691,251)	2,536,328
-	-	-	1,941,466	(1,941,466)	-
7,396,796	-	7,396,796	5,169,045	(2,632,717)	2,536,328
5,813,734	-	5,813,734	29,202,262	-	29,202,262
443,305	-	443,305	2,631,298	-	2,631,298
310,314	-	310,314	1,841,909	-	1,841,909
132,992	-	132,992	789,389	-	789,389
6,700,345	-	6,700,345	34,464,858	-	34,464,858
696,451	-	696,451	(29,295,813)	(2,632,717)	(31,928,530)
-	58,394	58,394	(4,546)	540,752	536,206
81,622	-	81,622	223,339	-	223,339
81,622	58,394	140,016	218,793	540,752	759,545
848,256	-	848,256	(651,835)	-	(651,835)
1,626,329	58,394	1,684,723	(29,728,855)	(2,091,965)	(31,820,820)
52,926,199	588,376	53,514,575	369,802,898	19,651,634	389,454,532
\$ 54,552,528	\$ 646,770	\$ 55,199,298	\$ 340,074,043	\$ 17,559,669	\$ 357,633,712

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Combining and Consolidating Information - Statement of Activities (Continued)
Year Ended December 31, 2018**

	Affiliated Organizations		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Total amounts raised	\$ 1,406,931	\$ 11,370,054	\$ 12,776,985
Less amounts for agency funds	-	-	-
Total contributions	1,406,931	11,370,054	12,776,985
Investment income	105,595	14,007	119,602
Realized and unrealized losses	(379,204)	(183,530)	(562,734)
Rental and other income	1,235,377	-	1,235,377
Total revenue	2,368,699	11,200,531	13,569,230
Net assets released from restriction	3,087,196	(3,087,196)	-
Total revenue and support	5,455,895	8,113,335	13,569,230
Expenses			
Grant expenses	3,282,384	-	3,282,384
Program expenses	2,323,579	-	2,323,579
Management and general	551,850	-	551,850
Fundraising and development	344,111	-	344,111
Total expenses	6,501,924	-	6,501,924
Change in Net Assets Before Other			
Gains (Losses)	(1,046,029)	8,113,335	7,067,306
Other Gains (Losses)			
Changes in value of split-interest agreements	-	-	-
Changes in defined-benefit plan	23,769	-	23,769
Total other gains (losses)	23,769	-	23,769
Transfers and Other Changes to Net Assets			
	-	-	-
Change in Net Assets	(1,022,260)	8,113,335	7,091,075
Net Assets, Beginning of Year	14,910,557	6,151,494	21,062,051
Net Assets, End of Year	\$ 13,888,297	\$ 14,264,829	\$ 28,153,126

2018			
Eliminations	Combined and Consolidated		
	Without Donor Restrictions	With Donor Restrictions	2018 Totals
\$ (13,738,676)	\$ 36,832,283	\$ 14,556,277	\$ 51,388,560
-	(4,821,006)	-	(4,821,006)
(13,738,676)	32,011,277	14,556,277	46,567,554
-	3,061,945	14,007	3,075,952
-	(28,361,346)	(4,036,809)	(32,398,155)
(73,131)	3,301,847	-	3,301,847
(13,811,807)	10,013,723	10,533,475	20,547,198
-	6,005,382	(6,005,382)	-
(13,811,807)	16,019,105	4,528,093	20,547,198
(13,738,676)	44,060,618	-	44,060,618
-	6,627,253	-	6,627,253
(73,131)	3,491,289	-	3,491,289
-	1,635,212	-	1,635,212
(13,811,807)	55,814,372	-	55,814,372
-	(39,795,267)	4,528,093	(35,267,174)
-	(5,503)	480,830	475,327
-	448,472	-	448,472
-	442,969	480,830	923,799
-	-	-	-
-	(39,352,298)	5,008,923	(34,343,375)
-	650,823,677	58,757,969	709,581,646
\$ -	\$ 611,471,379	\$ 63,766,892	\$ 675,238,271

**Central Indiana Community Foundation, Inc.
The Indianapolis Foundation, Inc.
Hamilton County Community Foundation, Inc.
and Affiliated Organizations**

**Comparison of Operating Funds Activities to Budget
Year Ended December 31, 2018**

	2018			
	Actual	Budget	Over (Under) Budget	% Over (Under)
Revenue and Support				
Administrative support fees collected	\$ 5,860,644	\$ 5,924,000	\$ (63,356)	-1.1%
Community leadership support	791,880	700,000	91,880	13.1%
Other operating revenues	<u>1,252,657</u>	<u>919,650</u>	<u>333,007</u>	<u>36.2%</u>
Total revenue from operations	<u>7,905,181</u>	<u>7,543,650</u>	<u>361,531</u>	<u>4.8%</u>
Expenses				
Program and grant-making	3,691,694	3,508,616	183,078	5.2%
Donor services and development	1,476,678	1,403,446	73,232	5.2%
Management and administrative	2,215,017	2,105,169	109,848	5.2%
Capital expenditures	<u>281,128</u>	<u>262,150</u>	<u>18,978</u>	<u>7.2%</u>
Total expenses	<u>7,664,517</u>	<u>7,279,381</u>	<u>385,136</u>	<u>5.3%</u>
Net Revenue From Operations Before				
Reconciling Items	<u>240,664</u>	<u>264,269</u>	<u>(23,605)</u>	<u>n/a</u>
Reconciling Items				
Pension accrual	90,636	-	90,636	n/a
Vacation accrual	(11,298)	-	(11,298)	n/a
Depreciation expense	<u>191,850</u>	<u>-</u>	<u>191,850</u>	<u>n/a</u>
Total reconciling items	<u>271,188</u>	<u>-</u>	<u>271,188</u>	<u>n/a</u>
Net Revenue From Operations	<u>\$ 511,852</u>	<u>\$ 264,269</u>	<u>\$ 247,583</u>	<u>93.7%</u>